## **DOCKET**FILE COPY ORIGINAL

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## **REDACTED - FOR PUBLIC INSPECTION**

RECEIVED

November 8,2002

NOV - 8 2002

Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Applications for Consent to the Transfer of Control of Licenses from

Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast

Corooration. Transferee. MB Docket No. 02-70

Dear Ms. Dortch:

This letter submits a revised redacted version of a confidential filing made on behalf of AT&T Corp. on November 7,2002. At the request of the Commission staff, two percentages in footnote two of the attached letter are now made available in unredacted form for the public record.

The confidential version of the attached letter is available for review subject to the Protective Order at the following address:

David Lawson, Esq. Sidley Austin Brown & Wood 1501 K Street, N.W. Washington, D.C. 20005 202-736-8088

Two copies of this redacted filing are submitted herewith pursuant to the Protective Order. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

Michael H. Hammer

MoreHow

cc: Roger Holberg Linda Senecal Royce Sherlock

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## WILLKIE FARR & GALLAGHER

1875 K Street, N.W. Washington, DC 20006-1238

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November 7,2002

Marlene H. Dortch, Secretary Federal Communications Commission 445-12th Street, S.W. Washington, DC 20554 Ex Parte Notice

Re: Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee, MB Docket No. 02-70

Dear Ms. Dortch:

On Wednesday, November 6, the undersigned had a telephone conversation with Royce Sherlock of the Commission's Media Bureau and Jim Bird of the Commission's Office of General Counsel and agreed to provide the following information which relates to an ex parte letter filed by AT&T Corp. ("AT&T") and Comcast Corporation ("Comcast") on November 5, 2002:

• AT&T Broadband has owned and operated systems serving approximately [
subscribers in the service area of Comcast Sports Southeast. These systems do
not carry Comcast Sports Southeast. AT&T Broadband's affiliated partnership,
US Cable of Coastal-Texas, L.P., has approximately [
] subscribers
in the service area of Comcast Sports Southeast. As noted in the November 5 ex
parte letter (footnote 5), these systems do not carry Comcast Sports Southeast.
AT&T Broadband's affiliated partnership, Insight Midwest, L.P., has
approximately [
] subscribers in the service area of Comcast Sports
Southeast.' These systems do not carry Comcast Sports Southeast.\*

NEW YORK WASHINGTON, DC PARIS LONDON MILAN ROME FRANKFURT BRUSSELS

This figure may overstate the number of subscribers the Insight partnership has in the Comcast Sports Southeast service area. **As** noted in the November **5** ex parte letter, Comcast Sports Southeast serves only portions of Kentucky. The [ ] Insight subscribers cited here comprises Insight's subscribers in **all** of Kentucky (AT&T Broadband does not at this time have accurate information regarding the number of Insight subscribers in the specific areas of Kentucky served by Comcast Sports Southeast).

November 7,2002 Page 2

Because this letter contains confidential information, it is being filed pursuant to the procedures in the Protective Order in this proceeding. If you have any questions, please contact me.

Respectfully submitted,

Michael H. Hammer

WILLKIE FARR & GALLAGHER

1875 K Street, N.W. Washington, DC 20006

cc: Royce Sherlock Roger Holberg Linda Senecal

2 Assuming theoretically that, post-merger, all of the subscribers from AT&T Broadband's owned and operated and affiliated systems in the service area of Comcast Sports Southeast were to carry the service, Comcast Sports Southeast would have a total of approximately [ subscribers. Of these, I subscribers would be in systems owned by or affiliated with AT&T approximately [ Comcast. However, this significantly overstates the potential impact of the AT&T Comcast subscribers because the market for Comcast Sports Southeast covers all or parts of 12 states and includes a large number of cable systems that currently do not carry the service. For example, Cox Cable, AOL Time Warner, Adelphia, MediaCom and Tele-Media are all large cable operators, each with a significant presence in the service area of Comcast Sports Southeast, but which do not currently carry the service. In addition, there are numerous small cable operators in the service area that do not currently carry Comcast Sports Southeast. Indeed, according to the National Cable & Telecommunications Association, there are approximately 16,63 1,345 cable subscribers in the states in which Comcast Sports Southeast provides service. See http://www.ncta.com/industry pverview/indStats.cfm?statID=Ifhus, again assuming that, post-merger, all the AT&T Broadband owned and operated and affiliated systems were to carry Comcast Sports Southeast, AT&T Comcast would account for only about 23.6% of the potential market for the service (or slightly higher, accounting for the fact that, as noted, in a few instances, Comcast Sports Southeast serves only a portion of a particular state)([ 1 = 23.6%).